



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
US ARMY COMMUNITY AND FAMILY SUPPORT CENTER
4700 KING STREET
ALEXANDRIA VA 22302-44

CFSC-ZA

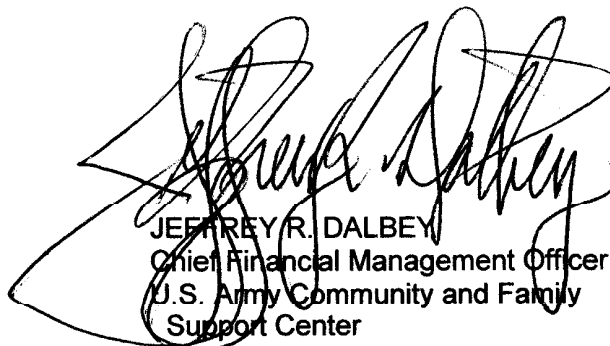
23 April 2004

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Billing Practice of Fees for Non-Emergency Care for Nonappropriated Fund (NAF) Employees

1. Health Affairs Policy 97-035 required, among other things, Medical Treatment Facilities (MTFs) to bill Nonappropriated Fund Instrumentalities (NAFIs) for occupational health services provided to NAF employees.
2. The Army contested this policy which creates an unnecessary disparity between the Army Appropriated Fund (APF) and NAF workforces. NAFI's have been billed (although inconsistently) for non-emergency health care provided to NAF employees at MTFs. Billings were not made for the same services provided to APF employees working with NAF employees in the same activities. This practice had an additional adverse financial impact on soldiers and MWR programs; such expenses are generally passed on to the soldier in terms of higher fees or reduced services.
3. The Army General Counsel reviewed HA 97-035, and found no legal basis permitting MTFs to bill, collect and retain receipts from NAFI's for occupational health services provided to NAFI employees. They further stated that unless positive authority is produced that would allow the MTFs to collect and retain receipts of the collection for preemployment and qualifying physicals from the NAFI's, the practice would violate the Miscellaneous Receipts Statute, and is therefore, an improper augmentation of the Army's accounts. Based on this, the Army General Counsel found the proposed billing practice by Army MTFs legally objectionable.
4. Effective immediately, NAFI's in possession of billings from MTFs or that receive future billings for occupational health services provided to NAF employees, will not pay invoices. You may cite this memorandum as authority for non-payment.
5. Point of Contact for this action is Sharon Kane at (703)681-7257 or Sharon.Kane@cfsc.army.mil.

FOR THE COMMANDER:



JEFFREY R. DALBEY
Chief Financial Management Officer
U.S. Army Community and Family
Support Center

CFSC-HRC

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